



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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October 1, 1997

CERTIFIED RETURN RECEIPT
P 074 976 604

Barry Lower
Plant Manager
Holnam Incorporated
Auxiliary Route #3
6055 East Croydon Road
Morgan, Utah 84050

Re: Return of Old Original Documents, Holnam Inc., Devil's Slide Quarry (M/029/001), Morgan County and Poverty Point (M/045/012), Tooele County, Utah

Dear Mr. Lower:

While recently going through our files we found two original Reclamation Contracts, two surety bonds, and several increase endorsements and surety riders which are no longer in effect. The surety bonds were issued by Safeco Insurance Company of America. These documents have been replaced and should have been returned earlier. We have no need of these original documents and are returning them to you for your disposal. Please route them to the appropriate Holnam or Safeco staff.

The following original documents regarding the Poverty Point Quarry M/045/012 are enclosed:

- *Safeco bond* for \$7,500.
- *Safeco Increase Endorsement* increasing this bond amount to \$8,500 effective February 20, 1983.
- *Safeco Increase Endorsement* increasing this bond amount to \$12,600 effective February 29, 1984.
- *Safeco Increase Endorsement* increasing this bond amount to \$13,900 effective January 4, 1985.
- *Reclamation Contract* with the effective date of 10/25/90 for the \$13,900 surety bond.
- *Safeco Surety Rider* changing the principal on this bond from Ideal Basic Industries, Inc. to Holnam, Inc.

The following original documents regarding the Devil's Slide Quarry M/029/001 are enclosed:

- *Safeco bond* for \$141,000.
- *Reclamation Contract* with the effective date of 10/25/90 for the \$141,000 surety bond.
- *Surety Rider* changing the principal on this bond from Ideal Basic Industries, Inc. to Holnam, Inc.

Page 2
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We are reviewing the recently received reclamation surety documents for these two operations which we received September 29, 1997. Thank you and your financial department for your prompt response in providing these new reclamation surety documents. We are changing page two of eight of the new Reclamation Contracts to replace Mr. L. B. Giles as the registered agent (he has retired) with your name, as discussed with Mr. Alan Jones of your office today. Also, the dates on page one of the surety bond incorrectly stated the Mining and Reclamation Plan received Division approvals on October 25, 1990. We contacted Virginia Townsend of Johnson and Higgins today and she authorized the Division to insert the correct date of April 27, 1981 for Poverty Point and December 3, 1987 for Devil's Slide.

We will provide your office with copies of the surety documents after they have been approved and signed by the Board of Oil, Gas and Mining and our Director. If you have any questions regarding this letter, please contact me at (801) 538-5267.

Sincerely,



Anthony A. Gallegos
Senior Reclamation Specialist

jb

Enclosures: 2 old RC's effective date of 10/25/90, Safeco surety bond and 3 surety increase
endorsements, 2 surety riders

Holnam.ret